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City School District*

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

EMMA C.,

Plaintiff,

v.

DELAINE EASTIN, ET AL.,

Defendant.

3:96-cv-04179-TEH

**DEFENDANTS' FINAL STIPULATION
ON RSIP BUDGET AND COURT
MONITOR'S BUDGET FOR FISCAL
YEAR 2012-2013, WITH EXHIBIT A
ATTACHED, [~~PROPOSED~~] ORDER**

Judge: The Honorable Thelton E.
Henderson

Defendants Delaine Eastin, Superintendent of Public Instruction, Department of Education (State Defendants) and Defendant Ravenswood City School District (District), collectively Defendants, submit this stipulation concerning the 2012-2013 RSIP budget, and the allocation of the RSIP 2012-2013 budget and the Court Monitor's budget between the Defendants.

A. The RSIP Budget

The Defendants have agreed on a single year RSIP budget of \$2,550,202 (two million, five hundred fifty thousand, two hundred two dollars) for the 2012-2013 fiscal year. A copy of the agreed-upon RSIP budget 2012-2013 is attached to this joint submission as Exhibit A. In addition

to this amount, the Court Monitor has informed the parties that he has budgeted \$381,557 for the 2012-2013 fiscal year. (Court Docket (CD) 1706.)

The Defendants agree upon the following schedule:

- By **July 2, 2012**, the State Defendants will pay 30 percent of their respective allocated share (i.e., \$34,340 or 30% of ¹\$114,467¹) of the Court Monitor's budget.
- By **July 2, 2012**, the District will pay 15 percent of its respective allocated share (i.e., \$40,063 or 15% of \$267,090²) of the Court Monitor's budget.
- By **July 16, 2012**, the District will pay 15 percent of its respective allocated share (i.e., \$40,064 or 15% of \$267,090) of the Court Monitor's budget.
- By **August 1, 2012**, the State Defendants will pay 60 percent of their respective allocated share (i.e., \$459,037 or 60% of \$765,061³) of the RSIP budget and 30 percent of their respective allocated share of the Court Monitor's budget (i.e., \$34,340 or 30% of \$114,467).
- By **August 1, 2012**, the District will pay 30 percent of its respective allocated share (i.e., \$535,542 or 30% of \$1,785,141⁴) of the RSIP budget.
- By **October 3, 2012**, the District will pay 30 percent of its respective allocated shares of the RSIP budget (i.e., \$535,542 or 30% of \$1,785,141) and the Court Monitor's budget (i.e., \$80,127 or 30% of \$267,090) (i.e., a total of \$615,669).
- By **November 30, 2012**, the State Defendants will pay 20 percent of their respective allocated shares of the RSIP budget (i.e., \$153,012 or 20% of \$765,061) and the Court Monitor's budget (\$22,893 or 20% of \$114,467) (i.e., a total of \$175,905).
- By **January 16, 2013**, the District will pay 20 percent of its respective allocated shares of the RSIP budget (i.e., \$357,028 or 20% of \$1,785,141) and the Court Monitor's budget (i.e., \$53,418 or 20% of \$267,090) (i.e., a total of \$320,508).
- By **March 1, 2013**, the State Defendants will pay 20 percent of their respective allocated shares of the RSIP budget (i.e., \$153,012 or 20% of

¹ The State Defendants' share of the Court Monitor's budget is 30% of \$381,557, which is \$114,467.

² The District's share of the Court Monitor's budget is 70% of \$381,557 which is \$267,090.

³ The State Defendants' share of the RSIP budget is 30% of \$2,550,202, which is \$765,061.

⁴ The District's share of the RSIP budget is 70% of \$2,550,202, which is \$1,785,141.

\$765,061) and the Court Monitor's budget (\$22,894 or 20% of \$114,467) (i.e., a total of \$175,905).

- By **April 16, 2012**, the District will pay 20 percent of its respective allocated shares of the RSIP budget (i.e., \$357,029 or 20% of \$ 1,785,141) and the Court Monitor's budget (i.e., \$53,418 or 20% of \$267,090) (i.e., a total of \$320,508).

B. The Allocation between the District and the State Defendants

The District and State Defendants have agreed that responsibility for the RSIP and Court Monitor's budgets will be allocated seventy percent (70%) to the District and thirty percent (30%) to the State Defendants for the 2012-2013 fiscal year.

The District and the State Defendants request that the Court issue an order to approve the RSIP budget for the 2012-2013 fiscal year and to implement the allocation and schedule described herein.

The District and the State Defendants further agree that the percentage or contribution amounts set forth above may change pursuant to the issuance of a Court Order determining that certain RSIP expenditures are no longer supported or needed to implement the RSIP, or that the respective duties of the parties have changed during the course of the 2012-2013 budget year, or pursuant to a Court Order authorizing additional RSIP expenditures for fiscal year 2012-2013.

C. Redirection of Funds

The District and State Defendants have obtained an agreement on the total RSIP budget amount as well as the composition and costs of the individual line item amounts necessary for these parties to address RSIP compliance as of April 26, 2012.

1. In order to maintain the line-by-line and overall RSIP budget amounts stated in this stipulation, the District and State Defendants agree that there will be no redirection of funds from the RSIP budget to any other District budget.

2. In order to maintain the line-by-line and overall RSIP budget amounts stated in this stipulation, the District and State Defendants agree that there will be no redirection of funds between the individual lines of this RSIP budget, unless the District provides counsel for the State Defendants with written notice of its intent to redirect funds at least 15 calendar days before the

1 proposed redirection and any of the provisions stated in the below subsections apply. By entering
 2 this stipulation, the State Defendants do not waive their right to pursue any legal remedies
 3 available under the applicable rules of the federal court.

4 a. Definition: As used in this stipulation, redirection of funds within the RSIP will refer to
 5 the funds being taken from a line item ("source line item") and being used as additional funds for
 6 another line item ("recipient line item").

7 b. Magnitude: The District must indicate in its written notice of intent the magnitude of the
 8 proposed redirection in terms of a dollar amount, as well as the percentage of the source line item
 9 funds being taken and in terms of the percentage of recipient line item funds being augmented.

10 c. Procedures for Redirection:

11 (1) No Written Stipulation Necessary:

12 Where a single redirection involves an amount equal to 5% or less of the source line item
 13 funds or the recipient line item funds for FY 2012-13, then no written stipulation between the
 14 District and State Defendants is necessary to accomplish the redirection. Should three or more
 15 redirections involving individual amounts equal to 5% or less of a specific source line item or a
 16 specific recipient line item for fiscal year 2012-13 occur, then any subsequent redirections of such
 17 line item funds must be accomplished in accordance with the "mandatory process" set forth below
 18 at (2).

19 (2) Mandatory Process for Written Stipulation and/or Court Order:

20 i. Where the redirection involves more than 5% of the source line item funds or the
 21 recipient line item funds for FY 2012-13, then the District must seek a written stipulation with the
 22 State Defendants to accomplish the redirection.

23 ii. If the District and State Defendants are unable to reach a written stipulation
 24 concerning the redirection of funds exceeding 5% of the source line item funds or the recipient
 25 line item funds for fiscal year 2012-13, then the District and State Defendants shall engage in a
 26 meet-and-confer process, with the facilitation and/or mediation of the Court's monitor, if so
 27 requested by the District or State Defendants, to reach a written stipulation on such redirection.

28 iii. Absent a written stipulation, the District may seek Court authorization for redirection

1 of funds in an amount exceeding 5% of the source line item funds or the recipient line item funds
2 for fiscal year 2012-13 upon briefing and hearing conducted under the applicable rules of the
3 federal court.

4 **D. Changes in District Budget**

5 The District shall notify the State Defendants if its overall budget and/or any particular line
6 items of the District's budget is reduced during fiscal year 2012-13, as a result of and not limited
7 to staff furloughs, layoffs, freezes on scheduled salary increases, net salary savings from vacant
8 positions, reduction in school days, such that the actual amount needed to fund any stipulated
9 RSIP budget item or the overall RSIP budget is reduced. The District must notify the State
10 Defendants of that reduction or freeze by letter to the State Defendants' counsel within 30 days of
11 the action so that the District and the State Defendants may reach a stipulation on the amount of
12 any deposited RSIP funds to be returned or credited, and, if requested by either the District or the
13 State Defendants, engage in a meet-and-confer process, with the facilitation and/or mediation of
14 the Court's Monitor, to reach a stipulation. Absent a stipulation between the District and State
15 Defendants, the sought return or crediting of deposited RSIP funds may be determined by the
16 Court upon briefing and hearing conducted under applicable rules of the federal court.

17 Nothing in this stipulation constitutes a waiver by the District of its right to file a motion
18 with the Court seeking additional contribution from the State Defendants for an overall increase
19 in the RSIP budget due to extraordinary circumstances.

20 **E. Invoices on Compensatory Education Services**

21 As of July 2012, the District will require, as a provision of its contracts with compensatory
22 education service providers for services under the December 20, 2007 Order (Court Docket (CD)
23 1157), that the contractor provide a statement (such as a spreadsheet) to CDE and to the District,
24 at the same time, indicating (1) the SEIS student identification numbers of the students receiving
25 services, (2) the types of services provided to each student, (3) the number of minutes of service
26 provided and (4) the invoice numbers and amounts for rendered services for each student to
27 enable tracking of the rendered services and funds by student. Should a contractor not be
28 amenable to this provision, then the District will provide to the California Department of

1 Education (CDE) the invoices and indicate (1) the SEIS student identification numbers of the
2 students receiving services, (2) the types of services provided to each student, and (3) the number
3 of minutes provided for the rendered services. The District will provide a copy of the invoices to
4 CDE at the same time they are provided by the District to the Court Monitor.

5 As of July 2012, the District will indicate on the submitted invoices for products in lieu of
6 compensatory education services the SEIS student identification numbers of the students
7 receiving the products. The District will provide a copy of the invoices to CDE at the same time
8 they are provided by the District to the Court Monitor.

9 As of July 2012, the District will provide on a monthly basis to CDE a statement indicating
10 (1) the names of the students receiving compensatory education services from District employees,
11 including and not limited to teachers, (2) the types of services provided to each student, (3) the
12 number of minutes provided to each student for each service provided to that student in that
13 month, and (4) the amount paid to the employee for performing the compensatory education
14 service to the extent the employee is paid in excess of his or her standard salary for performing
15 such services.

16 **F. Quarterly Invoices**

17 The District and the State Defendants further agree that the District shall submit quarterly
18 invoices, in accordance with the same schedule agreed upon for payment into the Court registry,
19 to the Court Monitor reflecting the funding necessary to implement the First Amended Consent
20 Decree and RSIP.

21 The District and the State Defendants further agree that copies of any and all invoices, and
22 any supporting documents provided by the District to the Court Monitor shall also be provided at
23 the same time to the CDE.

24 The District and the State Defendants further agree that they shall meet and confer, upon
25 the request of either party received within 30 days after the submission of the quarterly invoices
26 to the Court Monitor, regarding the invoices or other documents provided to the Court Monitor.
27 The parties request that the Court Monitor be instructed to maintain an accounting of all such
28 invoices and forward them to the Court for immediate payment.

G. Line Item Accounting

The District and the State Defendants further agree that on a monthly basis, beginning August 1, 2012, the District will provide CDE with a line item accounting of budget expenditures. Upon CDE's written request, the District will provide backup documentation, in the form of and not limited to invoices and expenditure reports, supporting the RSIP expenditures so that CDE can perform a quarterly audit of RSIP expenditures.

H. Audits of RSIP Service and Expenditure Records

The District and the State Defendants further agree that the State Defendants may perform additional audits of RSIP records under two circumstances:

(1) First, the State Defendants may perform additional audits of RSIP records if so authorized by Court Order.

(2) Second, and in the alternative, the State Defendants may conduct additional audits upon 30 days notice to the District and the Court Monitor that the State Defendants have reliable evidence of misuse or misappropriation of RSIP funds and intend to conduct an additional audit of RSIP records to determine if misuse or misappropriation of RSIP monies has in fact occurred. Where the State Defendants provide notice of their intent to conduct an audit on such basis, the parties shall meet and confer, upon the District's request, to discuss disclosure of any or all of the evidence of misuse or misappropriation of RSIP funds upon which the State Defendants rely. Nothing in this stipulation shall prevent the District from seeking the Court's intervention.

I. Assumption of Special Education Services:

Should any LEA assume legal and/or financial responsibility for providing special education services at any school(s) within the District during the 2012-2013 fiscal year, the Defendants agree to meet and confer, as defined by Local Rule 1-5(n), concerning any RSIP budget issues that may arise from the assumption, including and not limited to: (1) the LEA's financial responsibility for RSIP compliance, (2) the modification of the stipulated RSIP budget to reflect the LEA's assumed role and responsibilities for the delivery of special education services in lieu of the District's delivery, as funded under this RSIP budget, and (3) the

1 reversion of RSIP funds to the State Defendants as a result of special education services being
2 delivered by the LEA.

3 The Court Monitor may be included in this meet and confer process upon the request of
4 either Defendant. Should the Defendants be unable to reach agreement with regard to these
5 matters, the District or the State Defendants may petition the Court for modification of the
6 stipulated RSIP budget for fiscal year 2012-2013 upon briefing and hearing conducted under the
7 applicable rules of the federal court.

8 Dated: May 11, 2012 JOHN C. BEIERS, COUNTY COUNSEL
9 COUNTY OF SAN MATEO

10 By: /s/ Aimee B. Armsby.
11 Aimee B. Armsby
12 Deputy County Counsel
13 *Attorneys for Ravenswood City School District*

14 Dated: May 11, 2012 OFFICE OF THE CALIFORNIA ATTORNEY GENERAL

15 By: /s/ Lisa Tillman.
16 Lisa Tillman
17 Deputy Attorney General
18 *Attorneys for Defendants Delaine Eastin, Superintendent of
19 Public Instruction, and California Department of Education*

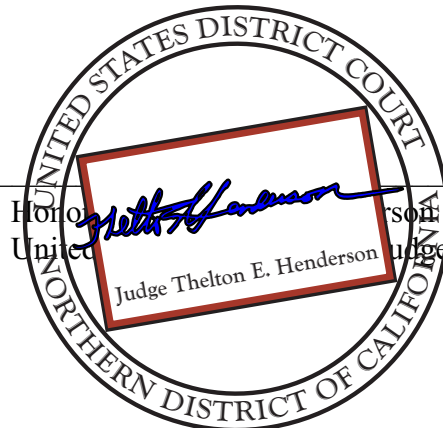
20 **[~~PROPOSED~~] ORDER**

21 This Court has reviewed and hereby approves the terms and conditions of the above
22 stipulation concerning the RSIP 2012-2013 budget and the Court Monitor's budget between the
23 Defendants.

24 IT IS SO ORDERED.

25 Dated: 05/14/2012

26 By: _____



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EXHIBIT A

EXHIBIT A**RSIP BUDGET FOR 2012-2013 SCHOOL YEAR**

Object Code	Description	Amount
1110	Teachers, salaries	287,216
1115	Teachers, substitutes	20,000
1140	Teachers, hourly	6,000
1215	Psychologist, salary	224,052
1315	Superintendent, salary	34,000
1320	Assistant superintendent, salary	120,000
1330	Director, salary	42,462
1335	IS coordinator	576,442
1960	Special education stipends	79,000
1970	SST stipend	0
2110	Para, regular	0
2140	Para, hourly	1,000
2310	Management salaries	0
2410	Clerical/other	199,249
2425	Clerical overtime	1,500
2440	Clerical hourly	4,000
2920	Occupational therapy, regular	34,885
2925	Other classified, overtime	0
2940	Other classified, hourly	0
3000	Benefits	493,656
4210	Reference books	2,500
4310	Instructional materials	37,500
4316	Office supplies	12,000
4330	Printing	1,045
4400	Noncapitalized equipment	0
5210	Mileage	3,727
5215	Parent-student conference	1,000
5220	Staff conference	2,000
5227	Workshop in-service	2,500
5228	Recruitment	12,000
5310	Dues and membership	0
5614	Equipment rental	5,245
5630	Equipment maintenance	3,000
5751	Food service	0

5801	Consultant, certificated	63,500
5802	Consultant, classified	12,500
5812	Advertising	0
5818	Tuition	25,000
5819	Nonpublic agency	118,486
5820	Other administrative expenses	0
5912	Cell phone	0
5920	Postage	5,000
6410	Equipment	0
Sub-total		2,420,465
Indirect	5.36%	129,737
Sub-Total with Indirect		2,550,202
Monitor's Budget		381,557
Total		2,931,759

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